

A Chinese Kaleidoscope; An American Mosaic

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If the property is only for accommodation, there will be some tax deduction or tax return applied; but if it's meant for business or renting, it would be charged for high profits tax. Another way to help reduce some tax could treat the property as purchasing a similar property, or called housing conversion; the price should be set higher than the sellers. Also the commercial building or property cannot be sold out but purchased back again as housing use. That disobeys the law. Though housing conversion might in a way reduce some tax, that probably requires more time and efforts to handle renting, maintenance, and all kinds of fees for electricity, water, insurance, etc. Some people in this way would rather pay the required tax and live an easier life than deal with those endless routines and bills to maintain a property.

When the property is done with the transfer between the seller and buyer, one of the big hassles usually takes place when the property is just purchased and soon involved in the inheritance upon death of the buyer or the seller. The whole case would all of a sudden get complicated since more people could be connected with profit share of that property according to the will. When in a certain cases, they buyer or the seller might have a really big family contains 4 kids and 16 grandsons and granddaughters, the settle of a contract even takes another 6 months or even over 1 year to get it done. In that scenario, a few kids might challenge or are not content about the share of inheritance; still others would probably refuse to smoothly co-sign for the contract. All those situations could be hassle to both seller's and buyer's sides until things are finally resolved.

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When signing a sale contract, it's the best policy to meticulously put all agreed requirements there with the presence of the buyer, seller and the broker(s). There might always be lots of different cases of complexity that hinder the progress of contract signing or transfer of the properties even after signing/agreeing on a contract.

For instance, when the real estate market turns to be tumbling down and the buyer might regret about the buying decision, or the seller finds the 2nd buyer who is willing to pay for more than the 1st one after the sale contract is finalized. All those will often end up resorting to lawsuits. But pondering the time and efforts of both buyers' and seller's sides could be put into the court unpredictably, anyone would probably rather avoid it by checking out the contract carefully before signing in the end.

As for the commission part, there is also another working contract declaring how long and what the real estate company and the brokers will take in charge for the whole case of selling or buying properties. When a buyer actually were referred by the agent or the broker, even though he or she come back after the due date of the contract and then buy the property, the agent or the broker should still be qualified to get the commission on that condition.

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And in view of job description of the real estate company of the broker to sellers, they basically try to make use of all connections and networking to reach all possible buyers and also release out the property information through all the media before the sale contracts are confirmed. And with the cases being settled down, the real estate firms or the brokers could officially earn the money.

Again the key for a successful property deal is all about a sound sale contract. The transfer of housing or a property is the final step to case realization. Moreover, for bringing in higher profits, some buyers will try to sell out the properties while they just buy them in for a short period. However the profits usually will not be huge as expected compared with skillful property flippers who usually invest much more money in the real estate market or some properties by a long-term mechanism. Based on some insider news or their experienced, flipping a house or property require a certain large sum of money by saving or by mortgage to buy a land or some cheap, run-down properties to fix, to renovate so as to do the reselling when the market continues to go up and up. However one thing crucial to be ensured here is pricing for lands, buildings, or houses nowadays has gone up to a way too crazily high point. It's hence more risky for even property flippers to go further in current real estate market.

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Developers Are Not Allowed to Renovated Any Building Regarded as A Historic Site And Always Got to Make Sure All Employees Are Safe

As a developer, the duty is either to buy lands for building properties, or to buy old, (sometimes almost abandon ones,) for renovation or a totally reconstruction before selling them out for greatest rewards. One of the purposes for developers might be kind of linked with the prosperity of the city, but it's more tightly concerned with making profits, especially making with big bucks.

In general, when developers start their missions, they have to buy lands qualified for commercial use. Legally speaking farms and some lands for roads and highways developing are not applied here. And even though developers tend to create most benefits upon the best use of lands or properties, the government have lots of strict regulations on how developers construct properties within a criterion of structure, such as size and altitude. Developers have to hire licensed and experienced architects and constructors to co-work on that to successfully pass through the inspection by the government.

As for purchasing old building or properties for renovation, some major issues need to be fixed before everything else begins. Firstly, to solve the problem of how to kindly reach the agreement of tenants' movement earlier. Once the last tenant moves out, all building program could be hence put into practice. For developers who purchase old, poor buildings oftentimes aim further at the lands for more diverse usage. Sometimes, tearing down a building might be harmful to the next building(s) by its side. That requires secure way to gently carry it out so as to prevent any damage to all.

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The developing mission covers lots of procedures and it therefore demands developers to have a huge sum of money beforehand. Though developers can be able to apply for mortgage and probably surely get the money for construction and teardown fee, they usually should possess the fortune to buy properties with the money out of their own pockets. And in terms of all expenses invested and possible risks to encounter in the process of development, more secure and smooth cash flows from developers would definitely help make the projects happen.

Also while the construction proceeds, a veteran supervisor is often to be hired on spot for everyday inspection of progress of that building program. Not only to all routine jobs, he or she had to pay more attention to material selection, like concrete, steel and iron together with the finishes and details of all those tiny construction work.

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If historic sites are expected to be turned or renovated into being more for commercial use, it takes even more care to handle all the procedure to renovate them by the rules of Historic Landmark Commission. It's very important to keep the outdoors of those historic landmarks remain primarily unchanged during the construction. And as far as the inside part, beams, poles, and posts can't be dismantled.

So after going through all the process of purchasing a tract of land, determining the marketing of the property, developing the building program and designing, obtaining the necessary public approval and financing, building the structure, and leasing, managing, developers finally come to the point of selling it for profits. Whoever determines if the building program is eventually and completely done was not only by developers, architects, but also most importantly by the government authorities concerned.

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So as stressed before, the most predominant purpose to real estate development is to gain greatest return on investment. When everything is ready, getting permissions and also passing all inspection from the government and authorities, developers would immediately hit the road to sell properties. Although some developers have different thoughts to rent instead to sell properties, in this way they would get to pay back the mortgage buy the rent incomes. Still there could be lots of variables to interfere with the profits since it usually takes a long while to wait for when the whole properties finally go to developers.

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Usually when the contract is set between the developer and the buyer, 10% of the purchase price will be taken out from the buyer's pocket as deposit. After that, another 20% will be paid when the construction is done. Finally the rest 70% of the sum will be due when the property is transfer to the buyer. To the best interest of consumers, the U.S. government asks to save 30% of the buying price into an escrow account supervised by the lawyer form the developer's end. Not until the property is transferred to the buyer, that money won't go into the developer's banking account. And in general, before the developer tries to close up the deal with assistance of a broker or company, he or she would keep on investing and is still busy tackling all possible problems. If the developer's company goes bankruptcy or there're some inevitably hefty natural disasters that cause the property not to be finished on time, the lawyer will return that money from escrow account to the buyer.

Although some developers have different thoughts to rent instead to sell properties, they'd hence get to pay back the mortgage by the rent incomes. Still there could be lots of variables to interfere with the profits since it usually takes a long while to wait for the time period when the whole properties finally belong to developers. There's no correct answer to if renting the properties will be absolutely right or wrong. Sometimes the properties might increase value after 30 years. However one of big problem regarding that is there is not guarantee developers could make sure spaces are always fully rented out and the maintenance fee will never go too expensive for them to pay.

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In conclusion most developers would choose to sell properties rather than rent them out.

Depending on Luck, Some Illegal Construction Can Be Remained for Long or Be Impeached

The Primary for consumers to purchase a house or a property is to meet the shelter needs. For residential use, there are apartments building and condos for selection. The often come in a whole nice package with public area, hallway, luggage and garage rooms, doorman, garden, and some entertainment equipment, etc. If for house purchase, you could choose the ones with no other houses around or maybe the ones with one side or both sides of houses next to yours.

In the latest 20 years, 2-famiies or 3-families homes have been quite popular in the city and those who bought them can enjoy the lowest property tax of 8% particularly set by the government.

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It should be pointed out here, not all lands in different areas are good for building 3 families homes, some are merely qualified for 1 family or 2 families homes construction.

In order to make more money, some Chinese immigrants would unbelievably renovate the garage into a dimple place for their whole family's accommodation and then rent out the 2 families or 3 families homes to other people. The reason for them to do that only is to only look to make money for mortgage.

It's also popular in Manhattan and most other areas of the New York City for elder Chines immigrants to rent their building or homes to singles or newly wed couples when their kids grow up and leave home already. But based on a few regulations of the New York City Department of Housing Preservation and Development and also in certain areas, renting like this will be seen as illegal since it might too much cause a high population density at some point. And it might further disturb the opportunities for children at school to receive all educational resources that they're supposed to have.

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Other amazing case of renting among Chinese could be like some Chinese even rent a room to several people at once by setting up a few beds as the only piece of furniture. Still others could renovate an apartment into a whole complete space where they put as many as bunk beds to rent to people resting and living sometimes up to 26 people in one apartment. Those are actually all illegal in consideration of the bad quality of accommodation for tenants there. Landlords should be more alert about their provisions and management to prevent from lawsuits.

For buildings and housings given up or abandoned by the owners before the 1970s, the government made new laws to encourage people to purchase those old buildings for renovation to help vitalize the city. So there were several favorable terms offered for the construction of the project such as low buying price, 90% mortgage loan, real estate tax exemption at the first 5 years and reduction within the following 20 years. It was a real epidemic among developers and they lined up for application to cause demand exceeds supply at that time. Those who were part of the project participants have enjoyed profit by several tens of times or hundred times of their investments if their possessions of properties are still effective today.